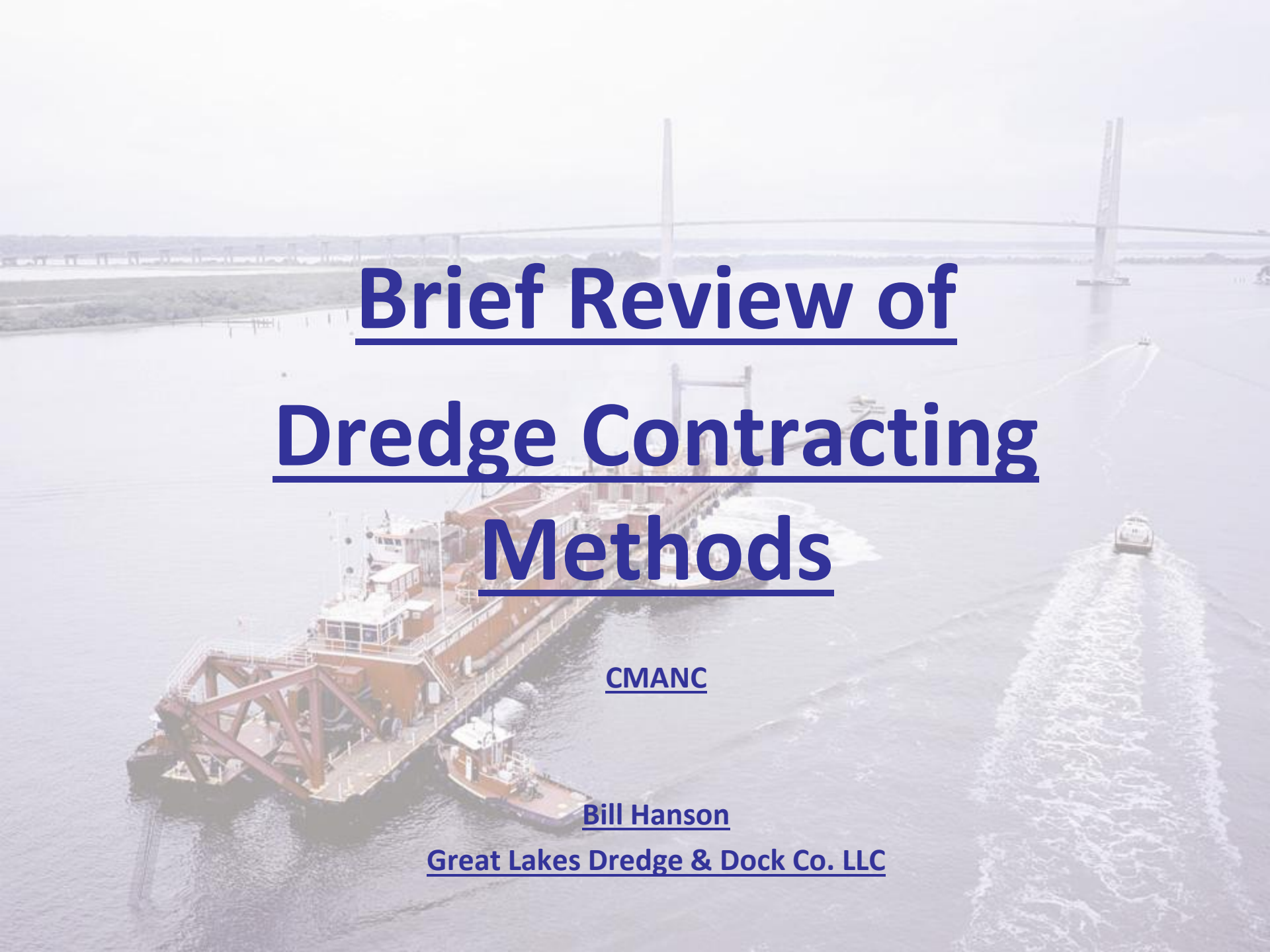


An aerial photograph of a large orange and white dredge barge being pushed by a tugboat on a wide river. The barge has a complex metal structure with cranes and conveyor systems. A long wake is visible behind the tugboat. In the background, a large bridge with tall pylons spans the river under an overcast sky.

Brief Review of **Dredge Contracting** **Methods**

CMANC

Bill Hanson

Great Lakes Dredge & Dock Co. LLC

Background

Common Questions

- How do we get more for our dredging dollars?
- What is industry capability?
- Why does dredging cost so much?



Industry Days Standard Procedure

- 
- A large, white dredging vessel with two prominent cranes is shown from an aerial perspective, moving across a wide, calm river. The vessel is leaving a white wake behind it. The far bank of the river is lined with green trees and vegetation under a clear sky.
- Engage industry early and often
 - New work projects in concept stage
 - Changes in regulatory or specs
 - Although not necessary for routine projects, what is routine in dredging

In person, or conference call either way

Common Dredge Contracting Methods

- IFB
- Best Value
- MATOC
- SATOC
- OBA



IFB – Invitation For Bid

- Most Common
- Rip and Read
- Transparent
- Requires fair effort on both sides in preparation
- Everyone knows what to expect



Best Value

- Used for larger more complicated projects
- RFP
- Not as transparent
- Corps RFP's do not allow for innovation, look for capability
- Low bidder does not necessarily win
- Requires significant review by Corps



MATOC

- **Multiple Award Task Order**
 - **Prequalified pool of bidders**
 - **RFP**
 - **Less Transparency**
 - **Way for Corps to speed project to contract stage**
 - **Newer method for dredging, still needs improvements to fulfill promise**
- 
- A large, dark-colored dredging vessel is shown from an aerial perspective, moving across a wide, calm river. The vessel has a long, flat deck and is equipped with several large cranes and mechanical arms. A long, flexible conveyor system extends from the vessel's deck into the water, likely for depositing dredged material. The river's surface is slightly rippled, and the background shows a distant shoreline with trees and a clear sky.

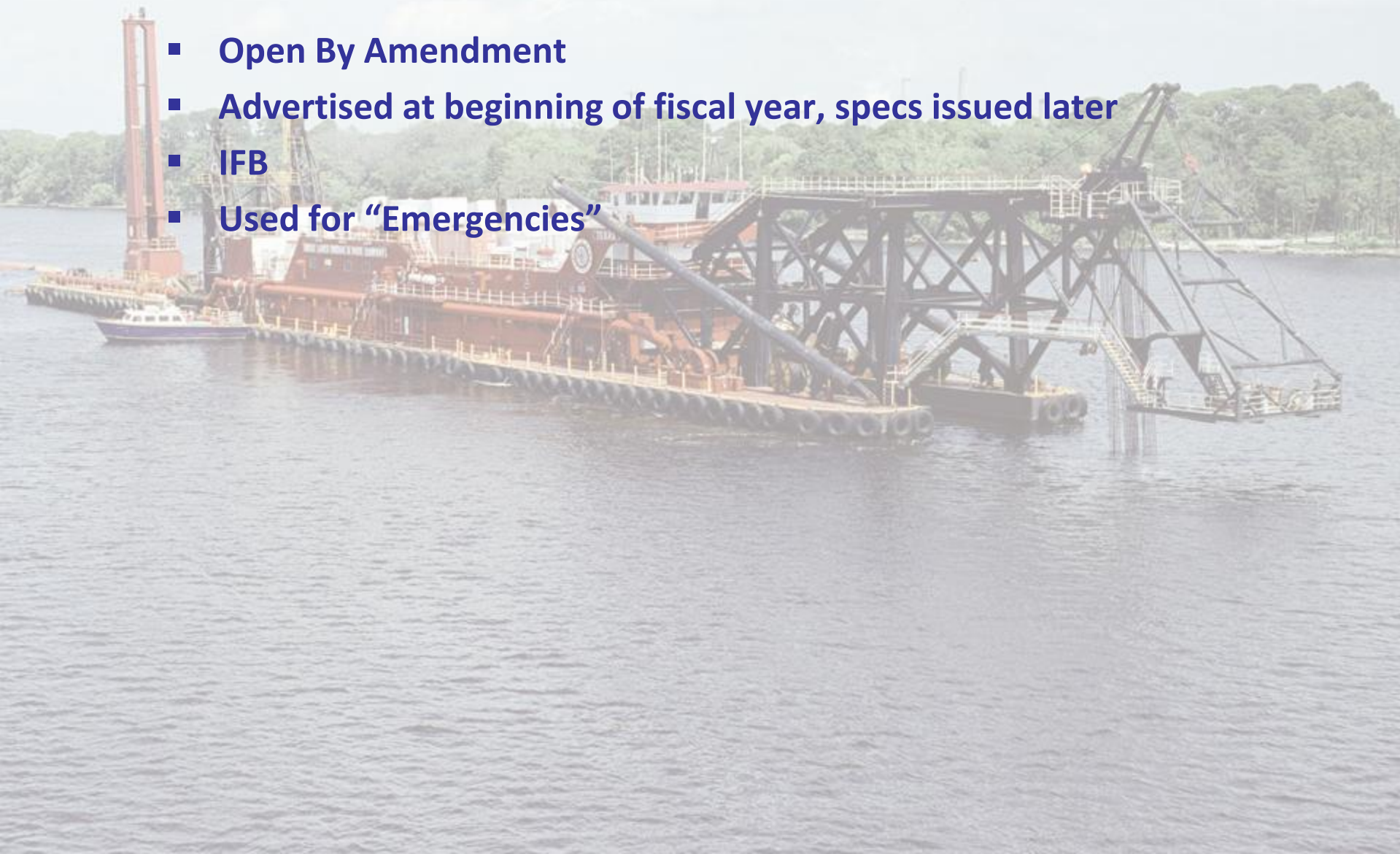
SATOC

- Single Award Task Order
- Low Bid, then negotiate additional work
- Less Transparency
- Potential for significant extra work, efficient contracting
- No competition after initial bid
- Limited use



OBA

- Open By Amendment
- Advertised at beginning of fiscal year, specs issued later
- IFB
- Used for “Emergencies”



Controlling Costs

Operational

- Develop good client reputation
- Reduce regulatory restrictions
- Understand intent of contract
- Allow for innovation
- Change Orders are part of the contract

No one is going away, better not leave problems unresolved!

Controlling Costs

Mobilization

- Mobs are larger, jobs are smaller
- Larger projects mitigate mob impact
- Flexible scheduling
- Combine projects



Other Contract Ideas

- Base plus options
- Multi year
- Regional Contracts



Lots of Opportunities to Talk

- CMANC
- WEDA
- DCA
- Corps/DCA Partnering
 - Industry Days
 - Surveying
 - Cost Estimating
 - Contracting
 - Endangered Species



Execution is key

- It matters to stakeholders
- It matters to clients
- It matters to dredgers
- Perpetual business, have to make sure we repeat success



It All Starts With Dredging

- Economic Recovery
- Coastal Protection
- Environmental Restoration

THANKS!!

























Boosters



Loaders & Unloaders



Survey Vessels

